

Capital Needs Assessment

Provide a copy of the Capital Needs Assessment performed on the property.

An independent, experienced third party must perform the Capital Needs Assessment and this party can have no financial interest in ownership of the development (i.e. not a member of the development team). It is required that a licensed professional, an engineer/architect, perform the assessment and supply the Authority with their professional opinion of a property's current overall physical condition. This includes the identification of significant deferred maintenance, existing deficiencies, and material building code violations that affect the property's use and its structural or mechanical integrity.

The assessment should include a site visit and physical inspection of the interior and exterior of units and structures, as well as an interview with available on-site property management and maintenance personnel to inquire about past repairs/improvements, pending repairs, and existing or chronic physical deficiencies. The assessment should include an opinion as to the proposed budget for recommended improvements and should identify critical building systems or components that have reached or exceeded their expected useful lives. The assessment should also include recurring probable expenditures for significant systems and components impacting use and tenancy, which are not considered operation or maintenance expenses, in order to determine the appropriate replacement reserve deposits on a per unit per year basis. The following components should be examined and analyzed for a capital needs assessment:

- Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, gas and electric utilities and lines;
- Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system, and drainage;
- Interiors, including unit and common area finishes (carpeting, vinyl tile, plaster walls, paint condition, etc.), unit kitchen finishes and appliances, unit bathroom finishes and fixtures, and common area lobbies and corridors;
- Mechanical systems, including plumbing and domestic hot water, HVAC, electrical, and fire protection; and
- Elevators (if applicable)



A Capital Needs Assessment must provide the following information in the order and format below:

- A. Company Certification
- B. Executive Summary - Including a general building description, evaluation definitions, process used to create the Capital Needs Assessment (including interviews with the current owner and/or management company).
- C. Existing Building Systems and Conditions Summary
- D. Critical Repair Items Cost Summary – Including all health and safety deficiencies, violation of state or local building codes that require immediate correction.
 - a. Site and Grounds
 - b. Building Exteriors
 - c. Commons Areas
 - d. Building Interiors
- E. Rehab and Renovations Cost Summary – An estimate of the repairs, replacements and renovations that will be completed before the final placed in service date.
 - a. Site and Grounds
 - b. Building Exteriors
 - c. Common Areas
 - d. Building Interiors
 - e. Market Improvements
 - f. Contingency (not to exceed 15%)
- F. Long Term Physical Needs Cost Summary – An estimate of the repairs and replacements, during and beyond the final placed in service date, that will be required to maintain the properties physical integrity over the next 15 years.
 - a. Remaining Useful Life Schedule
- G. Physical Condition Inspection Report
- H. Site, Building and Floor Plans
- I. Capital Needs Assessment Certification
- J. Photo Log

IHCDA will, after receiving the application and the Capitol Needs Assessment, schedule a physical inspection of the development in order to verify the accuracy of the Capitol Needs Assessment submitted with the application. Additionally, IHCDA may make a report, which identifies deficiencies and/or inaccurate statements concerning the identification of repairs in the Capitol Needs Assessment submitted with the application.



***If the estimated dollar amounts presented are different from the actual Capital Needs Assessment and/or the application (Form A), please submit a detailed written explanation.**

CAPITAL NEEDS ASSESSMENT CERTIFICATION

Development Name: _____

City: _____

Describe Rehabilitation as Applicable	Estimated Cost
Landscaping/Sprinkler/Drainage	
Fences/Walks/Retaining	
Amenities/Pool/Playground	
Driveways/Parking	
Garages/Carport	
Roofs/Dormers/Chimneys	
Flashing/Eaves/Ventilators/Cap	
Gutters/Downspout/Drains	
Balconies/Fire Escapes/Porches/Steps	
Exterior/Siding/Patios	
Doors/Windows/Trim	
Lobbies/Hallways/Stairways/Carpet	
Mailboxes	
Foundations/Piers/Beams	
Basement/Storage/Laundry	
HVAC	
Plumbing/Water Heaters/Washers	
Smoke Detectors/Fire Extinguishers	
Electrical/Fans/Intercom/Systems	
Boilers/Burners/Pumps/Incinerators	
Elevators/Security	
Flooring Carpet	
Landscape	
Other	
Other	
Total Estimated Cost	



CAPITAL NEEDS ASSESSMENT CERTIFICATION

Development Name: _____

City: _____

I, the undersigned architect/engineer for the above- referenced development, hereby certify to the Indiana Housing and Community Development (IHCDA) that all improvements listed in the "Capital Needs Assessment" are necessary to maintain a minimum of 15 years of affordable housing use. I further agree that, subsequent to this certification and prior to the final allocation of Rental Housing Tax Credits, I will furnish a certification that all necessary improvements have been made according to the Capital Needs Assessment.

Signature:
(Architect/Engineer Firm)

Printed Name: _____

Date: _____

License: _____

ACKNOWLEDGMENT OF OWNER

OWNER

Signature: _____

Printed Name: _____

Title (if applicable): _____

STATE OF INDIANA)
) SS:
COUNTY OF _____)

Before me, a Notary Public in and for said County and State, personally appeared _____, [the _____ of _____ ("Owner")], and, being duly sworn, acknowledged the execution of the foregoing agreement was his (her) voluntary act and deed [on behalf of Owner], and stated that any representations contained therein were true and correct.

Witness my hand and Notarial Seal this _____day of _____, _____.

County of Residence:

Notary Public

Commission Expires:

Printed Name

